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THE WHITE HOUSE
WASHINGTON

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MEETING WITH SENATORS CHURCH AND PEARSON

Tuesday, March 4, 1975
12:30 p.m. (30 minutes)
The Oval Office

From: Henry A. Kissinger *H*

I. PURPOSE

To discuss the possibility of a three year limitation on aid to South Vietnam.

II. BACKGROUND, PARTICIPANTS & PRESS ARRANGEMENTS

A. Background: Senators Church and Pearson wish to explore with you the suggestion in your Chicago Tribune interview to terminate aid to South Vietnam after three years of "sufficiently large amounts." Senator Church reportedly believes the first year should be based on FY 75 appropriations, the second year two-thirds of this, and the last year one-third. This would total about \$2.5 billion for the three years. If true, this amount would be far too small. Ambassador Martin recommends \$6.5 billion for this period. Senator Pearson is believed to be more willing than Church to provide adequate amounts. This meeting could be a useful initial step in gaining Congressional support for a limited, but adequate aid program for South Vietnam. Both Senators reportedly wish to work with you and not against you in this matter.

B. Participants: Senator Frank Church (D-Idaho), Senator James Pearson (R-Kansas), Secretary Kissinger and John Marsh.

C. Press Arrangements: Meeting to be announced. White House photographer.

III. TALKING POINTS

-- I understand you wish to discuss a three year aid program for South Vietnam. I would be delighted to hear your views on this most important matter.

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E.O. 12958, Sec. 3.5
NSC Memo, 11/24/98, State Dept. Guidelines
By *CEK* Date *1/22/00*

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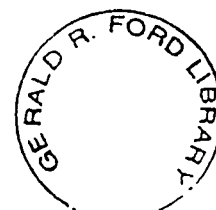


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- If we were to end aid to South Vietnam after a given period, it would be essential that, in the interim, we provide enough to give it a reasonable chance to stand on its own feet -- and I believe this is feasible.
- Graham Martin, our highly experienced and realistic Ambassador in Saigon, is convinced that sufficiently large amounts over the next three years will do the trick.
- Martin believes that a total three year program of about \$6.5 billion would be required. Obviously, the amounts are something we will have to work out with the Congress, but we would have to insist on an amount which would make its survival a reasonable prospect.
- South Vietnam has considerable economic potential and is by no means a permanent basket case. It should soon be able to export rice, sugar and other valuable products; moreover, oil and natural gas have been struck off its coast. In time, those deposits could be important sources of revenue.
- The South Vietnamese have managed their economy well. During the last quarter of 1974, for example, they only had a single digit inflation rate -- because they have really tightened their belts.
- The South Vietnamese army is fighting well and should be able to hold its own with sufficient military assistance.
- I feel very strongly that when we do end our aid, it must be in a responsible manner and must be consistent with maintaining our credibility as an ally -- not only in Southeast Asia, but elsewhere as well.
- I am confident that ways can be found to meet Congressional fears of unending aid without abandoning a brave ally.

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